DHHS Division of Contract Management

Contract Process Reform 2014 – Roadshow Feedback

Last updated December 4, 2014

Roadshow Notes:

The Contract Process Reform Roadshow sessions took place in the months of October and November, and were intended to provide an overview of the reform in more detail with each DHHS Office, and to solicit feedback. This document provides notes, key discussion points, risks and follow-up items from the sessions. Overall, feedback was positive; the groups were engaged and accepting of the new challenges. There were a number of questions raised, risks identified, and suggestions offered. This document highlights this feedback.

General Items

- **Risk –** Additional Reviews - The additional reviews by OCQI, Legal, Audit, and DCM could put an additional strain on the existing limited resources, creating new bottlenecks.
    - **Follow up -** DCM will monitor these areas closely and work with the Commissioner's Office to make adjustments to the process to eliminate the backups.
    - **Follow up –** DCM will work with these areas to establish turnaround times and escalation needs. For example, reminder within two business days, escalation within five business days.
- **Risk –** Unclear Accountability Templates - Lack of clarity on the accountability template provided by program will result in delays to the RFP or Contract as the information is clarified.
    - DHHS' expectations recognize a learning curve and culture shift are part of this process.
    - DHHS has committed to provide resources such as training to help mitigate this risk.
- **Risk –** Language Differences - There has been some language disconnects that need to be resolved. They include:
    - Deliverable and Scope of Work.
        - Continued training and mentoring for DHHS staff will clarify the differences.
    - Pre-Approval Form and Accountability Template. Both are used interchangeably.
        - **Follow up –** DHHS will settle on one term (accountability template) and update documentation.
    - New Checklists. People have been historically using the term "checklist" as part of documentation that is submitted. The reform uses this term in a different way.
        - **Follow up –** DHHS will update the documentation to reference this is a step by step process as opposed something to be submitted.
- **Risk –** Technology - The current technology is a limiting factor. The current system, because it is manual data entry driven, is already subject to errors and missed documents. The reform will require the addition of more fields to track and measure process and progress appropriately. This will increase data entry and the chance for errors and missed documents.
    - **Follow up -** DHHS is looking at workflow technology to mitigate these risks.
- **Risk –** Provider Pushback – Providers may push back on DHHS internally, publically, or through other channels (for example, the legislature) in DHHS improving Rider A's.
    - **Follow up –** The Commissioner's office should communicate the goals as it sees fit.

- **Follow up –** Funding Approvals - DCM should provide clarification on what documentation is necessary to show approval to use federal funds on contract. For example, the Governor's approval for federal grants.
    - This should differentiate between necessary documentation and who needs to see it.
- **Follow up –** Corrective Action Plans and Terminating Agreements **–** DCM and General Counsel will develop standard procedures for times when providers need to be put on a corrective action plan or when program decides it is time to terminate an agreement. DCM and General Counsel will also support program through this process.
    - **Follow up –** DCM will develop a template and samples for Provider Corrective Action Plans.
- **Follow up –** Metrics and Estimates - DCM will provide estimates for key steps in the process; this will support program's planning needs. DCM will also measure the key steps as well to ensure DHHS is meeting its goals. Potential metrics will include:
    - The average number of days to process agreements from an approved accountability template to the contract being encumbered.
    - The average number of days to process RFP's from an approved accountability template to the time an award is made.
    - The average number of days for AG's office review of contracts and RFPs
    - The average number of days for Governor's office review for RFPs
    - The average number of days for the internal review of the final contract (Commissioner, General Council, Audit, OCQI, DCM)
    -
- **Follow up** – Rider E – DCM will work with General Counsel and program offices to review Rider E(s) for clarity, cleanup.
    - This will include guidance on the differences between Rider A and Rider E, and the content that belongs in each.
- **Follow up –** Allocation of DCM Costs - DCM (contract administration services) costs are allocated through a formula based upon the amount of work for each office. DHHS will decide whether or not to change the cost allocation to each office because of the reform.
- **Question -** Sole Sources – All services over $5K should be competitively procured, either through an RFP or Letter of Solicitation. Is the State considering raising this limit?
    - DAFS is exploring changing this limit.
- **Question –** Willing and Qualified – A number of sole source agreements fall into a category of "Willing and Qualified". In this scenario, if the provider meets certain qualifications and agrees to the State's terms and conditions, they will be engaged in a contract for services. Will the State be recognizing this going forward?
    - DAFS is exploring this further.

Accountability Template

- General – The following are clarifying notes.
    - This is a **planning** document.
    - It is intended to ensure program has a grasp on what is being purchased, how the outcomes will be measured, and costs related to objectives.

        - Program should include the key objectives and measurements to ensure program is understood at a high level.
    - Costs submitted are estimates. Actual costs will be specified in the contracts.
        - These costs will not be broken out by funding source in the costs fields, but can be documented in the "Description of Grant/Contract Funding" section.
    - Service level accountability templates – When a service is supported by multiple, similar contracts, only one accountability template will be required. A list of supporting contracts should be attached. Examples include:
        - Template contracts – These have the same Rider A, but differ in the provider, the dollar amount, and the service area.
        - "Menu" Contracts – These are a subset of template contracts. They start with the same Rider A, and differ in the provider, the dollar amount, and the service area. However, the specific components of Rider A may be choices from standard "selections".

      The goal is to minimize paperwork by requiring an accountability template at the service level.
    - Contract level accountability templates – Stand-alone contracts will require their own accountability templates.
    - Accountability template decision tree outlines those types of contracts and services that require a form. This includes those for direct client services and consulting in support of direct client services.
        - The decision tree is posted on the DCM website.
        - The accountability template should be used for BP18 agreements for direct client services. Some program areas require the complete BP54 for contract value of less than $5k to impose terms and conditions.
    - The accountability template is intended for DHHS use.

- <u>Additional Workload for Program</u> –
    - **Risk –** Additional Work- The concern was raised that this will be an additional work load on program.
        - To date, two forms have been eliminated. The first was the Contract Steering Committee form, which was primarily used with contracts over $1M. The second was the Contract Package Checklist, which was inconsistently used.
        - The new Accountability template will add more work up front. However, benefits going forward include:
            - Reduced turnaround time later in the process because this document will provide the answers to most of the expected questions.
            - Improved quality of the contract and RFP because the document contains information that is directly transferable to both documents: an executive summary, an outline of the services expected from the provider, and performance measures for ensuring the services are meeting the outcomes of the program.

        - Provided supporting (and sometimes missing) documentation for the program/service.
    - **Question -** Federal grant submissions – When submitting grants through a federal system, much data entry and detail is involved in creating objectives and metrics.
        - **Follow up -** DHHS must still determine how much, if any, of these federal documents can be used as part of the accountability template submission to avoid entering the information in to both systems.
    - Program Offices will have to decide how to delegate the work of completing the accountability template in the event it creates a competition with existing work. In some cases, it may make sense to assign these duties to specialized teams.

- Amendments and Renewals
    - **Follow up –** DCM will define the criteria for which Amendments require an accountability template, and the process to follow.
        - Initial discussions: program should submit an updated accountability template if amendment changes the scope of work the original template, or significantly changes budget (greater than 10% or 10K, whichever is less). Changes to be highlighted.
    - **Follow up -** DCM will define the criteria for which Renewals require an accountability template, and the process to follow.
        - Initial discussions: program should submit an updated accountability template, noting it is a renewal and highlighting changes.
    - **Follow up –** DCM will define the process for what happens when amendments or additional contracts bump the dollar value above a review threshold, after the fact.
        - Initial discussions: the reviews should happen similar to the way they currently do when a contract amendment increases over the $1M and $3M thresholds – the reviews happen to the amendment /changes.

- Versioning of Form – The Accountability Template continues to be refined.
    - Early on, there were rapid changes to the template as it was being revised for department wide use. This has had an impact to program in the past where they were required to start working with the new version. Program would like to limit the impact of changes to them when filling this document out.
    - DCM and OCQI have committed to rolling out changes in an organized fashion.
    - For work already in progress, Program will not be required to redo their work in a newer version of the form.
    - If program is starting a new template, then using new version will be required.

- Complexity of Form - The Accountability Template is fairly complicated. Program would like to ensure help is available for filling it out.
    - **Follow up -** OCQI will offer formal training sessions on a monthly basis starting in 2014. The sessions will cover how to fill out the document, including a focus on the performance measures.

    - OCQI will provide feedback and assistance to program during the rollout and beyond.
    - A guidance document has been developed, showing what information goes into each major field of the accountability template and possible sources for this information. This included detailed guidance around the costs fields.
    - **Follow up –** OCQI will provide examples of accountability templates for RFPs and Contracts that are being developed.
    - **Follow up –**OCQI will develop better examples of how accountability templates for Grants, RFPs and Contracts flow to and from each other.

Rider A

- **Risk –** Limited Expertise – Program staff have limited expertise for writing Rider A's.
    - DCM, DHHS General Counsel and SETU have discussed the appropriate Rider A training needs.
    - A new course, "Writing Skills for Contracts"(or similar title), will be offered by SETU. It will be a modified version of the "Writing Skills", enhanced to discuss fuzzy versus clear language. Program staff should be encouraged to take this course prior to writing contracts.
    - Additional support will be provided on a mentoring/as needed basis.
- **Follow up –** DCM and DHHS General Counsel will develop a process for tracking incoming reviews, including potential reminders.

RFI/RFP

- **Risk –** Limited Expertise – Program staff have limited expertise for writing RFPs. This is placing additional demand on DCM staff, which is not resourced to handle this workload.
    - DCM is hiring at least two positions to help in RFP Guidance and Review. This will provide some assistance.
    - A new course, "Writing Skills for Contracts"(or similar title), will be offered by SETU. It will be a modified version of the "Writing Skills", enhanced to discuss fuzzy versus clear language. Program staff should be encouraged to take this course prior to writing contracts.
    - Additional support will be provided on a mentoring/as needed basis.
- **Follow up –** DCM will rework the RFP training program to include the changes from the Reform. This training event should also:
    - Include examples of good RFIs and Sources Sought.
- **Follow up –** DCM will revisit the RFP steps on the DCM website.

Additional Contract Follow up:

These issues and questions were raised in the roadshow. They are not part of the Reform changes; they will be addressed outside of the Reform process.

MaineCare Seed

General –MaineCare Rules require an agreement for behavioral health services to be in place between the Department and a provider in order for the provider to be reimbursed for services covered under MaineCare. Payments are made through the MIHMS system, and the agreements historically show a zero dollar value for this reason.

- Accountability Templates will be required for these agreements. However, DHHS will follow up to answer these questions:
    - Should these agreements continue to require an Accountability Template?
    - Should these agreements continue to be in place, or should MaineCare rules be changed to no longer require them?
    - Should performance measures be included MaineCare Seed contracts?
    - How much language is necessary in a MaineCare Seed contract, especially when referencing rules.
- Clarification on Provider Agreements, which are those agreements that use MIHMS to pay. They differ from MaineCare seed agreements.

OIT Agreements

OIT Agreements will not require an accountability template as these agreements and services have their own process and methodology for outlining the services being requested and the assurance of work being delivered as required.

DHHS will follow up with OIT to provide guidance on:

- How to determine whether an agreement is a IT agreement.
- When to use the OIT contract process as opposed to the DHHS contract process.